



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District, Price Field Office

125 South 600 West

Price, UT 84501

Phone: (435) 636-3600 Fax: (435) 636-3657

<http://www.blm.gov/ut/st/en/fo/price.html>



In Reply Refer To:

3482(UTG023)

SL-068754

UTU-78562

SEP 20 2011

RECEIVED

SEP 21 2011

DIV. OF OIL, GAS & MINING

CERTIFIED MAIL—7010-3090-0002-7831-0153

RETURN RECEIPT REQUESTED:

Mr. David Hibbs
President
UtahAmerican Energy, INC.
P.O. Box 910
East Carbon, Utah 84520

Re: Minor Modification to Resource Recovery and Protection Plan, Longwall Panel # 22, West Ridge Mine, UtahAmerican Energy, Inc.

Dear President Hibbs:

The Bureau of Land Management (BLM) received from UtahAmerican Energy, Inc. (UEI), a minor modification, dated July 21, 2011, to the approved resource recovery and protection plan (R2P2) at the subject mine. The modification would add an additional longwall panel (longwall panel 22) and halt the development mining on private coal in longwall panel 20. Only the access main entries and the first few hundred feet of panel development entries are on Federal coal lease (modified) UTU-78562 for panel 22. The shortened portion of longwall panel 20 is all on private coal.

Proposed Plan: UEI proposes to mine an additional longwall panel (panel 22) on the northeast side of the Main Entries. This would be the fifth longwall panel on the right side of the Main Entries from the previously approved four panels. UEI would mine in sequence panels 20 through 22 down dip and then extract up dip panels 18 and 19. Recent acquisition of coal rights (Federal coal lease modification of the south portion of section 31, T. 13 S., R. 14 E., and private coal rights to the east) and the successful mining of previous longwall panels at depth, are reasons given by UEI for the modification.

In addition, the length of longwall panel # 20 is proposed to be shortened to crosscut 27 due to encountering rock partings in the coal seam that have made coal quality unacceptable past this crosscut. All the affected area is on private coal but in areas included in your Logical Mining Unit (LMU) application.

Evaluation and Inspection of Proposal: Design and extraction of longwall panels on the left side of the Main Entries, with similar characteristics to proposed panel 22, have been successful. The depth of panel 22 is no more than other extracted panels. Similar panel designs for stability and stress analysis have been evaluated and approved. We agree with the proposal to add panel 22 to the R2P2. With regards to longwall panel 20, the BLM has inspected the 14th East development entries on June 12, 2011, and have verified the rock partings in the coal seam. Though the entire affected portion of this longwall panel is on non-federal coal lands, we agree that further development cannot continue due to the extent and size of the rock parting.

Approval: The R2P2 modification is approved as submitted for longwall panel 22 for only the portions of the mining area on Federal coal lease UTU-78562. Authorization for mining activities on non-federal coal will need approval/permit revision from Utah Division of Oil Gas and Mining (UDOGM) if not already approved. The changes to longwall panel 20 are entirely on non-federal coal, and again would require authorization from the UDOGM. Approval for adding panel 22 to the R2P2 is conditioned on approval and/or updates of all plans residing with Mine Safety and Health Administration.

Maximum Economic Recovery (MER): Addition of this longwall panel will add additional recoverable coal to the R2P2 and will achieve MER for Federal coal lease UTU-78562.

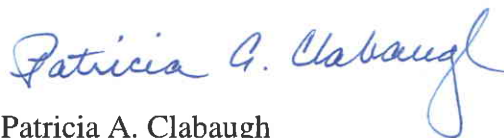
Recoverable Reserve Base: By adding panel 22 to the R2P2, the recoverable coal reserves for Federal coal lease UTU-78562 will be increased from 12,487,642 tons to 12,670,142 tons, an increase of 182,500 tons. The recoverable reserves for the other Federal coal lease at the mine SL-068745 remains the same at 17,827,365 tons. Coal reserves adjustments for non-federal lands will be addressed later as we process your LMU application for the West Ridge Mine.

National Environmental Policy Act (NEPA): No new surface disturbance is predicted with this plan change, and therefore this action is Categorical Excluded from NEPA analysis as explained in the Department manual (45 DM Part 516 11.5 (F)(8)): approval of minor modifications to, or minor variances from activities described in an approved underground or surface mine plan for leasable minerals (e.g., change in mining sequence or timing).

The BLM has determined that this modification complies with the Mineral Leasing Act of 1920, as amended, the regulations at 43 CFR 3480, and the lease terms and conditions in UTU-78562. The modification is approved as shown on the enclosed mine map with regards only to the Federal coal on lease UTU-78562.

If you have any questions, please contact Steven Rigby (435-636-3604) or Stephen Falk (435-636-3605) of my staff.

Sincerely,



Patricia A. Clabaugh
Field Manager

Enclosure: (1)

Approved Mine Map

cc: Green River District

Utah State Office

Utah Division of Oil, Gas, and Mining

1594 West North Temple, Suite 1210, Box 145801
Salt Lake City, UT 84114-5801

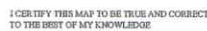
State of Utah

School and Institutional Trust Land Administration
675 East 500 South
Salt Lake City, Utah 84102-2818

Mine Safety and Health Administration
P. O. Box 25367
Denver, Colorado 80225-0376

T. 13 S.
T. 14 S.

T. 13 S.
T. 14 S.



Recommended By:

Stephen W. Felt 9/14/11
Mining Engineering (Date)

Approved By: Patricia A. Cleveland
Area Manager 9/16/11 (Date)

R. 13 E.

1250 0 2500 5000 FEET

YEAR KEY:

NOTE:

Mine projections are subject to change depending on conditions encountered in the underground mine workings. Actual mine works are shown as of July 5, 2011. Mine projections depicted in the fringe areas beyond the existing permit area are speculative and based on future reserve acquisitions. No mining will be conducted in these areas unless those reserves are acquired in the future and permitted according to federal, state, and local permitting requirements. West Ridge Resources acknowledges that permission to mine within the permit boundary does not imply permission to mine beyond the permit boundary.

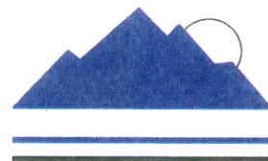
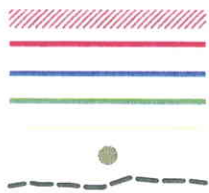
LEGEND:

Permit Boundary
Federal Lease
State Lease
Private Fee
Surface Facility Area
GVH Site
Outcrop

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DIV. OF OIL, GAS & MINING



WEST RIDGE
RESOURCES, INC.

SCALE: 1"=2500'

\\s:\Current Drawings\MRP Maps\West Ridge Mine\R2P2 Maps\WR R2P2 8-25-11.dwg, 5500, 11x17, 8/25/2011 2:44:41 PM

WEST RIDGE MINE

R2P2 MODIFICATION

Mining Projections (Extended Reserves)

DATE: 8-25-11

REV: 1

ACAD REF: WR R2P2 8-25-11